

**The Department of the Navy
Office of the Chief Information Officer**

IT Investment Practices Integrated Product Team FY 2001 Annual Plan

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**Prepared by
The IT Investment Practices Integrated Product Team**



IT Investment Practices Integrated Product Team

FY 2001 Annual Plan

Information Technology (IT) Investment Practices Integrated Product Team (IPIPT) Annual Plan For Fiscal Year (FY) 2001

Organization

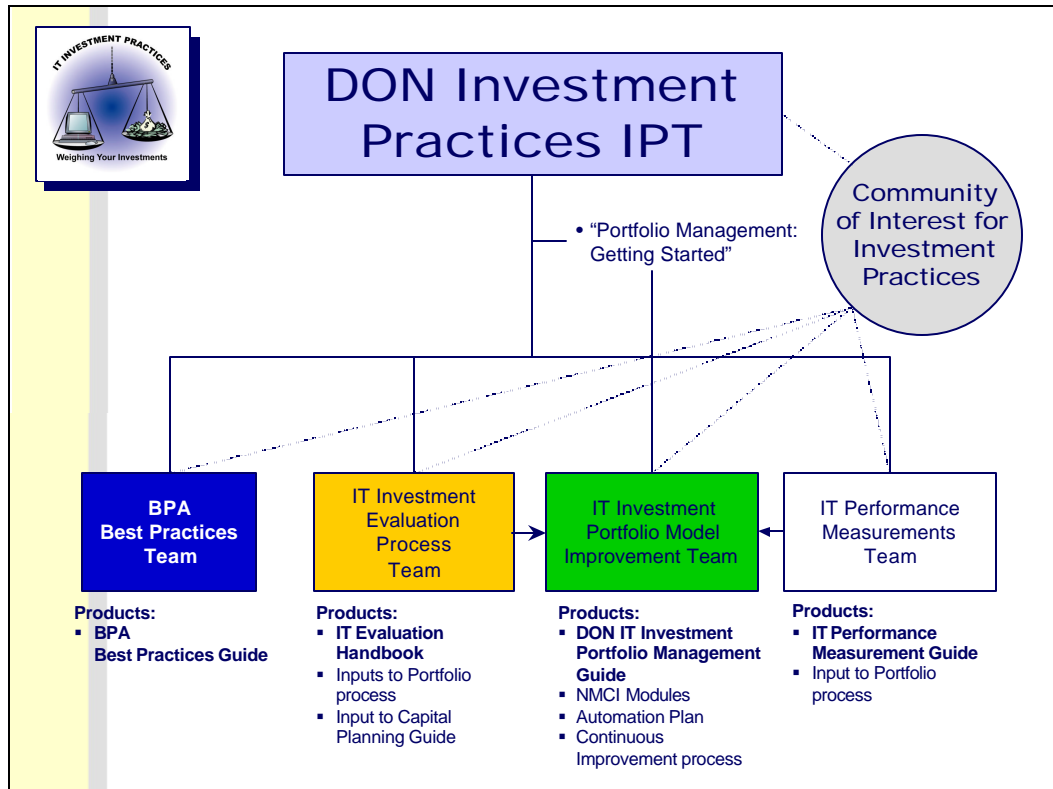
The IT Investment Practices (IP) Integrated Product Team (IPT) is chartered by the Department of the Navy (DON) Chief Information Officer (CIO) and the Office of the Assistant Secretary of the Navy for Research, Development and Acquisition (OASN (RD&A)). Its purpose is to support Information Management (IM) and Information Technology (IT) missions and to provide DON-wide collaboration in improving DON IT acquisition and investment policy, practices and procedures.

The IP IPT consists of a Core Team and Product Teams. The Core Team meets as required, or when specially called by the Team Leader, to accomplish the initiatives listed in this Annual Plan. The Core Team will establish Product Teams (PTs) to accomplish specific IPT initiatives. The IP Core Team develops product definitions, selects PT leaders, identifies and provides training opportunities, and facilitates the PTs as needed.

Core Team members provide fleet, field and command perspectives in IM/IT processes, procedures, systems, initiatives and acquisitions. Members provide upward, downward and lateral communications and information sharing, developing and supporting a community of interest.

PT members are individuals with subject matter expertise and a stake in the issue to be resolved and the future of the product. They may or may not be members of the IP IPT Core Team. The Team members must have the support of their originating commands.

The following chart depicts the FY01 structure of the IT Investment Practices Core Team and Product Teams and the associated interrelationships.



Introduction

The Department of the Navy (DON) IT Investment Practices Integrated Product Team (IP IPT) Charter requires that the IP IPT develop an annual plan that defines initiatives for the current year. The FY01 Annual Plan is submitted to the DON Chief Information Officer (CIO) for review and approval.

The FY01 Annual Plan summarizes the accomplishments of the IP IPT in FY00 and outlines the on-going and new initiatives planned for FY01.

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Section 1: FY00 Accomplishments

1.1 FY00 Annual Plan Accomplishments

In accordance with the FY00 Annual Plan, the Core Team:

- Established IT Federal Supply Schedule Blanket Purchase Agreement (BPA) Best Practices product team
- Approved BPA Best Practices guide
- Established IT Investment Evaluation Process product team
- Established IT Investment Portfolio Model Improvement product team
- Established Community of Interest for Portfolio Management

1.2 Additional FY00 Accomplishments

In addition to the accomplishments achieved under the FY00 Annual Plan, the IPT also:

- Developed and hosted two Portfolio Management Symposiums
- Marketed the DON IT Investment Portfolio Model
- Established web-enabled team collaboration (using LiveLink)

Section 2: FY01 Initiatives

2.1 Marketing of BPA Best Practices Guide

The Core Team will ensure formal release and marketing of the BPA Best Practices guide developed under the auspices of the IP IPT last fiscal year.

Estimated Completion: Ongoing

2.2 IT Investment Evaluation Process Product Team (PT)

This PT is working to develop guidance for use in evaluating accomplishment of technical, cost and performance goals of deployed programs. The focus is on post-deployment review and the return on investment.

Estimated Product Delivery: 7/01

2.3 IT Investment Portfolio Model Improvement PT

This PT is improving the portfolio model/process and developing a methodology for continuous improvement. The team is monitoring the use of the Portfolio Model and other portfolio management processes across the DON Enterprise and benchmarking with other federal agencies and private industry. This team is also researching tools for automation of the Model and will provide an automation plan.

Estimated Product Delivery: 10/01

2.4 Community of Interest (COI) for IT Investment Practices

The COI sustains exchange across a group of individuals from various commands and organizations within the DON and beyond that have an interest in IT investment portfolio management. This exchange is accomplished through the use of the web, information meetings and briefings, and by sponsoring COI events and forums. The primary focus of this COI is to facilitate discussion and information sharing that will result in visibility, improvement, buy-in, and knowledge of IT investment practices. The COI was established in FY00 with a focus on portfolio management. The FY01 initiative is to continue to maintain the COI and broaden its scope to include all IT Investment Practices that fall under the auspices of the IP IPT.

Estimated Completion: N/A

2.5 IT Performance Measurement PT



This PT will address the requirement to utilize performance measures under Government Performance and Results Act (GPRA) and the Clinger-Cohen Act (CCA), and will also address the lack of DON level guidance that provides detailed implementation procedures on performance measures. The PT's product is intended to be a concise, easy to use guide for establishing performance measures that are relevant to IT projects/programs and DON missions.

2.6 IP IPT Standard Operating Procedures (SOP) Guide



As a result of three years of working together and developing numerous successful products, the Core Team learned many lessons about how to work effectively as an Integrated Product Team in the DON. These lessons are reflected in the IP IPT's Standard Operating Procedures (SOP). This year, the Core Team will prepare this document for publication so that other organizations may use it as a guide when establishing IPTs and sub-IPTs.

Section 3: FY01 Product Summaries

3.1 Product Team Name: *IT Investment Evaluation Process*

3.1.1 Issue

- CCA requires a process for evaluating results of IT investments
- Federal IT managers identified “measuring IT contribution to mission performance” as their most important challenge
- No DON process exists for evaluating results of IT investments
- Need evaluation process to support “evaluation phase” of the capital planning process
- Supportive of the draft Office of the Secretary of Defense Portfolio Management & Oversight Policy

3.1.2 Purpose

- Define process for the evaluation phase of the capital planning process
- Define a DON-wide evaluation process
- Provide input to the DON Portfolio Model, DON IT Capital Planning Guide and portfolio management process with respect to the Evaluation Phase
- Develop recommended language for DoD 5000.2-R and SECNAVINST (SNI) 5000.2B

3.1.3 Goals And Objectives

- Ensure the process evaluates deployed systems with respect to an organization’s mission and business goals
- Ensure the process supports informed decision-making
- Ensure the results of the evaluation process are fed back to all concerned to improve the overall process of selecting, managing and evaluating IM/IT investments in the future
- Ensure that the appropriate tools and policy exist for the implementation of the evaluation process

3.1.4 Products

- IT Investment Evaluation Handbook
- Input to IT Investment Portfolio Model with respect to evaluation phase
- Guidance memo, Subj: IT Evaluation Policy, Encl: IT Investment Evaluation Handbook

- Policy recommendation – Language for DOD 5000.2-R and SECNAVINST 5000.2B
- Input to *Evaluation* portion of the *DON Capital Planning Guide*
- Marketing plan for products (including a standard brief)

3.1.5 Impact If Not Continued

The DON will not have a standard methodology for the evaluation phase of the capital planning process, and will have to look to individual activity implementations for compliance with the CCA. There will not be a corporate method to address the measurement of IT contribution to mission performance.

3.1.6 Product Linkage

- IT Capital Planning Guide
- IT Investment Portfolio Model
- IT Performance Measurement Guide

3.1.7 Plan Of Action And Milestones:

Tasks	Projected End Date
Develop Process Flowchart	Jul 00
Product Outlines	Sep 00
Develop Draft Products: <ul style="list-style-type: none"> - IT Evaluation Handbook - Input to Portfolio Model - Input to Capital Planning Guide - Policy Letter - Policy Language (DOD 5000.2-R, SNI 5000.2B) - Marketing Plan 	Apr 01 May 01 May 01 Jun 01 Jul 01 Jul 01
Product (s) Approval	Sep 01
Product Marketing/Training	Sep 01

3.1.8 Stakeholders:

- DON CIO
- SECNAV 5000 Working Group
- DASN (C4I)
- Navy and Marine Corps milestone decision authorities and other review/oversight activities

3.2 Product Team Name: *IT Investment Portfolio Model Improvement*

3.2.1 Issue

- The process identified in the current DON Model (among other things) provides for the selection of investments based on minimum screening and scoring criteria. The process should also provide a means for senior management to obtain timely information regarding progress (at established milestones) in terms of cost, capability of the system to meet requirements, timeliness, and quality. The process needs to be integrated with the processes for making budget, financial, and program management decisions.
- The Model requires improvement prior to investing in the creation of a DON standard automated tool. Best practices, lessons learned from ongoing DON pilot projects and information from other sources need to be analyzed and incorporated into the portfolio process. An automated process and a DON IT Investment Portfolio Management Guide will replace the current DON Model.
- The developed IT Investment Portfolio Model was intended to be replaced by an automated process that will require continuous improvement – a process for improvement does not exist.
- The Model needs to reflect consideration of enterprise-wide initiatives such as NMCI.

3.2.2 Purpose

- Collect and/or develop improvement recommendations, analyze and apply changes to improve all three phases of the portfolio management process, and successfully complete the first revision.
- Assess the DON pilot projects.
- Develop a process for continuous improvement
- Implement a continuous and repeatable process for the selection and management of IM/IT investments
- Develop and implement a standard process and automated tool
- Implement a DON wide process to provide visibility of IM/IT investments and assets to facilitate investment planning.
- Ensure the design of the process can be expanded to include capital assets other than IM/IT.
- Support or interface with pertinent DON enterprise IT investment initiatives such as NMCI.

3.2.3 Goals And Objectives

- Ensure the process provides for alignment of IT investments with the organization's strategic plans and objectives
- Ensure the process supports informed decision-making for all three phases
- Establish a method to continuously improve the process.
- Conduct a survey to gain feedback from the COI for IT Investment Portfolio Management.
- Incorporate appropriate tools into the DON IT portfolio management process.

3.2.4 Products

- Benchmark report to identify best practices and evaluate DON pilot projects
- IT Investment Portfolio Management Guide to replace the model, including a Business Case Analysis (BCA) module.
- Plan to automate the improved process, including alternative cost estimates
- Training plan for users of the process
- Process for continuous improvement that includes:
 - Mechanism for feedback from users and other sources.
 - Process to validate and approve recommendations for revisions.
 - Configuration management.
 - Review process to evaluate the effectiveness of the process.
- Marketing plan for the products (including a standard brief)

3.2.5 Impact If Not Continued:

If not continued, improvement of the Model will not take place. Lack of improvement to the Model and a continuous improvement process will result in stagnation and degradation of the revised process therefore rendering it unable to effectively support informed IM/IT investment decisions. The Model is currently an example and focused on one phase and will not adequately address all three phases of the portfolio management process. Establishment of a standard automated DON portfolio management process will not be feasible without improvement of the process.

3.2.6 Product Linkage

- IT Capital Planning Guide
- IT Investment Portfolio Model
- IT Investment Evaluation Handbook
- IT Performance Measurement Guide

3.2.7 Plan Of Action And Milestones

Tasks	Projected End Date
Identify team members	Jan 00
Identify team leader	Mar 00
Initiate team activities	Mar 00
Finalize product definition	Apr 00
Benchmark, identify best practices	Oct 01
Replace the current Model with an IT Portfolio Investment Guide	Oct 01
Monitor and report on the DON pilot projects	Oct 01
Automation plan	Oct 01
Training plan	Dec 01
Continuous improvement process	Jan 02

3.2.8 Stakeholders

- DON CIO
- CNO and CMC
- Navy and Marine Corps Major Claimants
- Model users

3.3 Product Team Name: Performance Measurement

3.3.1 Issue

- GPRA and the CCA require performance measures to be used, however, DON has no standard enterprise methodology that provides detailed implementation procedures on how to define individual performance measures

3.3.2 Purpose/Objective/Goal

- Establish guidance on developing a system of measures or metrics tied to the mission in order to assess the performance of IM/IT investments
- Develop a process, guidance, and input to the Portfolio Model, Marketing Plan, and implementation recommendations (automation, training, pilot...)

3.3.3 Products

- Guide for Performance and Results Based Management. This Guide will provide methods for establishing performance measures at two levels: (1) program/project level to monitor cost and schedule, and to determine if performance standards are met, and (2) the IT portfolio level to measure how well the IT investment accomplishes the mission assigned to it in support of the organization's mission
- Report on recommended automation tools
- Input to DON CIO IT Investment Portfolio Model/Process
- Marketing Plan for products (including a standard brief)
- Cost Study for implementation of Guide
- Recommendations for Training/Training Products.

3.3.4 Impact If Not Approved

The DON will not have a standard enterprise methodology for the development of performance measures and will have to rely on individual activity implementations for compliance with GPRA and the CCA. Without a standard enterprise methodology for the development of performance measures, the DON cannot corporately address the measurement of IT contribution to mission performance.

3.3.5 Product Linkage

- IT Capital Planning Guide
- IT Investment Portfolio Model
- IT Investment Evaluation Handbook

3.3.6 Plan Of Action And Milestones

Tasks	Projected End Date
Finalize product definition	Nov 00
Identify team leader/members	Feb 01
Initiate team activities	Mar 01
Develop products	Sep 01

3.3.7 Stakeholders

- Navy and Marine Corps Major Claimants
- CIOs
- Program Managers
- Functional and business area managers
- Post deployment review evaluators

Section 4: FY01 Events Showcasing IP IPT Products

4.1 CIO Symposium

This is a quarterly forum for CIOs to share knowledge about best practices, to hear from industry, and to build relationships for collaborative problem solving.

4.2 Connecting Technology

The IP IPT, in conjunction with the Enterprise Policy and Guidance Program, builds awareness of DON IT tools and initiatives through presentations and booths at Connecting Technology. The next event is scheduled for May 01.

4.3 e-Business Knowledge Fair

The IP IPT, in conjunction with the Enterprise Policy and Guidance Program, builds awareness of DON IT tools and initiatives through presentations and booths at the e-Business Knowledge Fair. Electronic Business (e-Business) is the focus of this event, scheduled for May 01.

4.4 Portfolio Management Symposium

The objective of this event is to spread awareness of current DOD and DON policies as well as draft policies applying to capital planning and portfolio management, and to share knowledge about tools for implementing portfolio management in the DON. One Portfolio Management Symposium is planned for FY01, to be held in August in Charleston, SC.

4.5 Tools Workshops

The IM/IT Tools Workshops are designed to build knowledge of “The Changing World of IM/IT Management” and provide in-depth knowledge of available IM/IT tools and products that support DON enterprise solutions. These workshops also provide a forum for addressing frequently asked questions and sharing lessons learned and best practices regarding the tools. The workshops will include demonstrations of IM/IT tools. Three tools workshops are planned for FY01, in Quarters 1, 2, and 4, two in Washington, DC and one in San Diego.

Section 5: FY01 Core Team Plan

Actions	Projected End Date
1. Finalize FY01 Annual Plan	Jan 01
2. COI for IT Portfolio Management expands to COI for IT Investment Practices	Jan 01
3. Establish IT Performance Measurement PT	Feb 01
4. Publish BPA Best Practices guide	Feb 01
5. Develop Portfolio Management: Getting Started Guide	Jun 01
6. Review and approve IT Investment Evaluation Process PT products	Sep 01
7. Review and approve IT Investment Portfolio Model Improvement PT products	Sep 01
8. Publish IP IPT SOP guide	Sep 01
9. Create FY02 Annual Plan	Sep 01
10. Establish Investment Practices Award	Sep 01
11. Support PTs	Ongoing
12. Communicate with DON CIO on IPT Activities	Ongoing
13. Maintain IPT web page	Ongoing
14. Update and maintain IP IPT SOP guide	Ongoing
15. Promote knowledge-sharing within the IT community	Ongoing
16. Promote IP IPT product awareness through special events: <ul style="list-style-type: none"> - Tools Workshop - Connecting Technology - Executive Symposia - Portfolio Management Seminars - DON Fairs 	Ongoing
17. Marketing of IPT Initiatives and Products, including: <ul style="list-style-type: none"> - BPA Best Practices Guide - IT Performance Measurement Guide - IT Investment Evaluation Handbook - IT Investment Portfolio Management Guide - Portfolio Management: Getting Started Guide - IP IPT SOP Guide These will be marketed through the following means: <ul style="list-style-type: none"> - Website - Articles - Events (see #16 above) 	Ongoing